



Commonwealth
of Massachusetts

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Office of Campaign and Political Finance

One Ashburton Place, Room 411

Boston, MA 02108

Advisory Opinion

March 9, 2005

AO-05-03

John Storella
22 Metcalf Street
Medford, MA 02155

Re: Medford Taxpayer Association

Dear Mr. Storella:

This letter is in response to your January 11, 2005 request for an advisory opinion.

You have stated that you are interested in forming a group that would be called the Medford Taxpayer Association (the Association). It will serve “as a forum and voice for the taxpayer.” It will publish a newsletter that will be used to keep residents informed regarding various issues relating to city government, and “will support needed general services delivered by the city but oppose wasteful spending and in that way keep taxes affordable for senior citizens.” In addition, the group will try to help candidates get elected who are in agreement with its ideals.

QUESTIONS AND ANSWERS

(1) Does the Association need to form as a PAC?

Yes, if it will raise money, at least in part, to support or oppose candidates.

(2) What restrictions would be in place if only one person finances the group?

If only one person finances the Association, and the Association is not representing itself to be a political action committee, it will not need to organize as a PAC.

DISCUSSION

A “political action committee” or PAC is any association or other group, other than a political party committee or people’s committee,¹ which solicits or receives contributions for the

¹ A “people’s committee” is a political committee which begins its existence as a PAC, but which chooses to become a people’s committee after meeting four criteria: it only receives contributions from individuals, it only receives

purpose of influencing the nomination or election of a candidate, or candidates. See M.G.L. c. 55, § 1 and OCPF Interpretive Bulletin IB-88-01. In determining whether funds are raised for the purpose of supporting or opposing candidates, the office considers a number of factors, including the materials used to solicit contributions and the stated purpose of the group raising funds. For example, if a flyer asks recipients to contribute so the group can support or oppose certain candidates, or if the group has a statement of purpose indicating that it seeks to support or oppose candidates, the group would be considered a PAC. Therefore, if the Association will be soliciting or receiving funds in part for the stated purpose of supporting certain candidates, it must organize as a political action committee.

Political action committees organized to raise funds to support or oppose city candidates must register with the local election official (in the case of Medford, the Election Commission) by filing a Statement of Organization (Form CPF M101 PC) prior to raising and spending any funds. Such PACs must also file campaign finance reports (Form CPF M102) with the local election official disclosing all campaign finance activity according to the same schedule that governs candidate filings. See M.G.L. c. 55, §§ 18(b) and (e), stating that reports must be filed eight days before a city preliminary, eight days before a city election, and on an annual basis, by January 20 of each year. PACs are also subject to a number of limits on contributions and expenditures. See IB-94-02 (a copy is enclosed).

In contrast, a group that only makes occasional contributions to candidates from its general treasury does not need to organize as a political action committee. Such groups, if primarily organized to mobilize public opinion or lobby municipal officials regarding a particular issue, are often called “issues advocacy groups.” An issues advocacy group, unlike a political committee, does not have to report its receipts, although it does have to report expenditures made to support or oppose candidates if the expenditures are “more than incidental” in comparison with other expenditures of the group. See IB-88-01 (a copy is enclosed).

This opinion is issued solely within the context of the Massachusetts campaign finance law and is based on the representations made in your letter. Please contact us if you have further questions.

Sincerely,

A handwritten signature in cursive script that reads "Michael J. Sullivan". The signature is written in dark ink and is positioned to the left of a vertical line.

Michael J. Sullivan
Director

Enclosures
MJS:gb